

ooo) based upon its capital and surplus, and 600,000 pesos based upon the deposit of securities with, the Treasurer of the Philippine Islands. Power was given to increase note issues in case of increase of capital stock, but not in excess of 9,000,000 pesos. The notes based on capital and surplus were to be taxed at the rate of one-half of one per cent, per annum and those based on securities at the rate of one per cent.¹

The total resources of the Spanish-Filipino Bank at Manila on March 31, 1908, were 9,285,444 pesos (\$4,642,722), of which 3,401,928 pesos represented overdrafts (or debtor accounts), 675,903 pesos loans and discounts, and 3,401,928 pesos cash. The outstanding note issues were 1,365,450 pesos, and individual deposits 1,880,686 pesos. Capital stood at 3,000,000 pesos and surplus at 900,000 pesos.

While the Spanish-Filipino Bank is the only bank of issue in the Philippines, it is overshadowed in volume of business, by the Manila branch of the Hong-kong and Shanghai Banking Corporation, whose resources on March 31, 1908, were 13,845,152 pesos (\$6,922,576), and by the Manila branch of the International Banking Corporation with resources of 7,955,593 pesos (\$3,952,796). The New York office of the latter corporation is one of the depositaries of the gold-reserve fund of the Philippine currency system.²

Banking in Hong-kong and the Straits.

The dominating banking forces in the East are several large banks financed by English capital, having their real domicile in London, but with branches scattered throughout

¹ *Negotiations for the Settlement of Title to Certain Lands*, etc.,

12-14. The agreement was perfected on June 8, 1907, at a dramatic meeting at the residence of General Clarence R. Edwards, Chief of the Insular Bureau, in which, the present writer participated, as one of the advisers in regard to the changes in the bank charter. Secretary Taft and General Edwards were the chief representatives of the government, and Festus J. Wade of St. Louis and Father J. R. Chouza of the Manila Cathedral represented the church.

² *Report of the Comptroller of the Currency, too?*, 415.